

Proposed FY 2013 Budget

August 7, 2012

Budget Preparation Process

- Develop Priorities
 - City Council/City Manager Work Session
- Department Request
- Revenue Projections
- City Manager's Proposed Budget
- Public Input/Public Hearings
- City Council Review and Adoption

Summary of Proposed Revenues

- City is in a good financial position
 - Confirmed by Standard & Poors “AA” Rating
- Services are provided by a variety of revenue sources
- Projections based on:
 - prior year revenue activity
 - current year-to-date activity
 - future factors—economic vitality
- Proposed Property Tax Rate—\$0.574282
 - \$0.038772 for Debt Service for new Municipal Facility Improvement
 - Approved by Voters on May 12th Referendum

Budget Highlights

- BALANCED BUDGET
 - General Fund (GF) Revenues \$7,165,989
 - GF Expenditures \$7,145,852
- Sales Tax \$1,759,642
- CIED Fund Revenue \$1,519,671
- Municipal Facilities Improvements \$7,000,000
 - Funding Source -Bond Proceeds
- Ending Fund Balance \$1,805,073
- Committed Fund Balance \$800,000

Property Tax

- Largest source of revenue for the City
- Tax Rate of \$0.574282 is proposed
 - \$0.476752 for M & O
 - \$0.097530 for debt service
- Proposed rate is below rollback rate but higher than effective tax rate
 - Due to new debt service obligations
 - Increase in the Tax Rate for new debt was approved by voters on May 12, 2012 referendum
- Property Taxable Value
 - \$655,749,985
 - \$4,880,062 Increase from FY12

Budget Highlights

Enterprise Funds

- **Water & Sewer Fund:**
 - Revenue: 3,313,242
 - Increase of \$213,101
 - \$1.30 per month increase in water fee
 - » Due to Increase in EAA Fee
 - \$1.48 per month increase in water & sewer fee
 - » Part of planned rate increase for M & O
- **Street & Maintenance Fund totals \$830,254**
- **Other Funds \$911,783**
 - Grants, Court Tech., P.D. Forfeiture Funds, etc.

Budget Highlights

Expenditures:

- Baseline Budget—Maintain Current Level of Service
 - Reductions & Efficiencies
 - Staff Identified \$300,000
- Employee Benefits
 - 1% Salary Cost of Living Adjustment
 - Merit/Performance Pay
 - Longevity Pay
- Supplies and Materials; Contracted Services
 - Slight Adjustment for Inflation
- Key Capital Expenditures
 - Municipal Facilities Improvements (Bonds)
 - Library Children's Wing Expansion (\$165,000 Carry Forward-Capital Reserve)
 - Bandera Road Monuments (CIED FUND)

Budget Highlights

- **Expenditures (cont.) :**
 - Reallocation of Salaries to Water & Sewer
 - Better accounting of Personnel cost where they occur
 - Funds \$40,000 for Bandera Rd. Signalization Project
 - Bandera Road Business Corridor Revitalization:
 - Funds a Position in Public Works for Clean-Up Duty
 - Contract Maintenance Clean-up
 - Funds \$10,000 for the City's 60th Anniversary Celebration Event
 - Schedule for October 2012

Next Steps

- August 21, 2012
 - Work Session-Detailed Review of Department Budgets
- September 4, 2012
 - 1st Public Hearing on Proposed Tax Rate
 - Work Session if Needed
- September 11, 2012
 - 2nd Public Hearing on Proposed Tax Rate
- September 18, 2012
 - Public Hearing & Adoption of the Budget & Formal Adoption of Tax Rate

QUESTIONS/DISCUSSION

FY 2012 Budget Document
Available on our Website

www.leonvalleytexas.gov